

intent to exempt the Government of the Republic of Montenegro, by means of licenses, from the prohibitions contained in the order wherever possible. That government has been included in the order to ensure effective implementation of sanctions against the Federal Republic of Yugoslavia (Serbia and Montenegro), of which the Republic of Montenegro is a constituent part.

The order carries out these measures by:

- blocking all property, and interests in property, of the Governments of the Federal Republic of Yugoslavia (Serbia and Montenegro), the Republic of Serbia, and the Republic of Montenegro, including the prohibition of financial transactions with, including trade financing for, those governments; and
- prohibiting new investment by United States persons, or their facilitation of other persons' new investment, in the territory of the Republic of Serbia.

The order provides that the Secretary of the Treasury, in consultation with the Secretary of State, is authorized to take such actions, including the promulgation of rules and regulations, as may be necessary to carry out the purposes of the order. Thus, in the event of improve-

ments in the actions and policies of Belgrade with respect to the situation in Kosovo, the Secretary of the Treasury, in consultation with the Secretary of State, would have the ability, through the issuance of general or specific licenses, to authorize any or all transactions otherwise prohibited by the order. Also, in implementing the sanctions, we intend to license transactions necessary to conduct the official business of the United States Government and the United Nations. We further intend to issue licenses to allow humanitarian, diplomatic, and journalistic activities to continue.

The declaration of a national emergency made under Executive Order 12808, and expanded in Executive Orders 12810 and 12831, remains in effect and is not affected by the June 9, 1998, order.

WILLIAM J. CLINTON

The White House,
June 10, 1998.

NOTE: This message was released by the Office of the Press Secretary on June 11. The Executive order of June 9 is listed in Appendix D at the end of this volume.

Remarks at the National Geographic Society

June 11, 1998

Thank you very much, President Fahey. I don't know what to say about starting the day with this apparition. *[Laughter]* But it's probably good practice for our line of work. *[Laughter]* I try to read every issue of the National Geographic, and I will certainly look forward to that one.

Chairman Grosvenor, Members of Congress, members of the administration, and members of previous administrations who are here and others who care about the national security and national interests of the United States. First let me, once again, thank the National Geographic Society for its hospitality and for the very important work that it has done for so long now.

As all of you know, I will go to China in 2 weeks' time. It will be the first state visit by an American President this decade. I'm going

because I think it's the right thing to do for our country. Today I want to talk with you about our relationship with China and how it fits into our broader concerns for the world of the 21st century and our concerns, in particular, for developments in Asia. That relationship will in large measure help to determine whether the new century is one of security, peace, and prosperity for the American people.

Let me say that all of you know the dimensions, but I think it is worth repeating a few of the facts about China. It is already the world's most populous nation; it will increase by the size of America's current population every 20 years. Its vast territory borders 15 countries. It has one of the fastest growing economies on Earth. It holds a permanent seat on the National Security Council of the United Nations. Over

the past 25 years, it has entered a period of profound change, emerging from isolation, turning a closed economy into an engine for growth, increasing cooperation with the rest of the world, raising the standard of living for hundreds of millions of its citizens.

The role China chooses to play in preventing the spread of weapons of mass destruction or encouraging it, in combating or ignoring international crime and drug trafficking, in protecting or degrading the environment, in tearing down or building up trade barriers, in respecting or abusing human rights, in resolving difficult situations in Asia, from the Indian subcontinent to the Korean Peninsula, or aggravating them—the role China chooses to play will powerfully shape the next century.

A stable, open, prosperous China that assumes its responsibilities for building a more peaceful world is clearly and profoundly in our interests. On that point, all Americans agree. But as we all know, there is serious disagreement over how best to encourage the emergence of that kind of China and how to handle our differences, especially over human rights, in the meantime.

Some Americans believe we should try to isolate and contain China because of its undemocratic system and human rights violation and in order to retard its capacity to become America's next great enemy. Some believe increased commercial dealings alone will inevitably lead to a more open, more democratic China.

We have chosen a different course that I believe to be both principled and pragmatic, expanding our areas of cooperation with China while dealing forthrightly with our differences. This policy is supported by our key democratic allies in Asia: Japan, South Korea, Australia, Thailand, the Philippines. It has recently been publicly endorsed by a number of distinguished religious leaders, including Reverend Billy Graham and the Dalai Lama. My trip has been recently supported by political opponents of the current Chinese Government, including most recently Wang Dan.

There is a reason for this. Seeking to isolate China is clearly unworkable. Even our friends and allies around the world do not support us—or would not support us in that. We would succeed instead in isolating ourselves and our own policy.

Most important, choosing isolation over engagement would not make the world safer. It would make it more dangerous. It would under-

mine, rather than strengthen, our efforts to foster stability in Asia. It would eliminate, not facilitate, cooperation on issues relating to weapons of mass destruction. It would hinder, not help, the cause of democracy and human rights in China. It would set back, not step up, worldwide efforts to protect the environment. It would cut off, not open up, one of the world's most important markets. It would encourage the Chinese to turn inward and to act in opposition to our interests and values.

Consider the areas that matter most to America's peace, prosperity, and security, and ask yourselves, would our interests and ideals be better served by advancing our work with or isolating ourselves from China?

First, think about our interest in a stable Asia, an interest that China shares. The nuclear threats—excuse me—the nuclear tests by India and Pakistan are a threat to the stability we seek. They risk a terrible outcome. A miscalculation between two adversaries with large armies would be bad. A miscalculation between two adversaries with nuclear weapons could be catastrophic.

These tests were all the more unfortunate because they divert precious resources from countries with unlimited potential. India is a very great nation, soon to be not only the world's most populous democracy but its most populous country. It is home to the world's largest middle class already and a remarkable culture that taught the modern world the power of non-violence. For 50 years Pakistan has been a vibrant Islamic state and is today a robust democracy. It is important for the world to recognize the remarkable contributions both these countries have made and will continue to make to the community of nations if they can proceed along the path of peace. It is important for the world to recognize that both India and Pakistan have security concerns that are legitimate. But it is equally important for India and Pakistan to recognize that developing weapons of mass destruction is the wrong way to define their greatness, to protect their security, or to advance their concerns.

I believe that we now have a self-defeating, dangerous, and costly course underway. I believe that this course, if continued, not moderated and ultimately changed, will make both the people of India and the people of Pakistan poorer, not richer, and less, not more, secure. Resolving this requires us to cooperate with China.

Last week China chaired a meeting of the permanent members of the U.N. Security Council to forge a common strategy for moving India and Pakistan back from the nuclear arms race edge. It has condemned both countries for conducting nuclear tests. It has joined us in urging them to conduct no more tests, to sign the Comprehensive Test Ban Treaty, to avoid deploying or testing missiles, to tone down the rhetoric, to work to resolve their differences, including over Kashmir, through dialog. Because of its history with both countries, China must be a part of any ultimate resolution of this matter.

On the Korean Peninsula, China has become a force for peace and stability, helping us to convince North Korea to freeze its dangerous nuclear program, playing a constructive role in the four-party peace talks. And China has been a helpful partner in international efforts to stabilize the Asian financial crisis. In resisting the temptation to devalue its currency, China has seen that its own interests lie in preventing another round of competitive devaluations that would have severely damaged prospects for regional recovery. It has also contributed to the rescue packages for affected economies.

Now, for each of these problems we should ask ourselves, are we better off working with China or without it? When I travel to China this month, I will work with President Jiang to advance our Asian security agenda, keeping the pressure on India and Pakistan to curb their nuclear arms race and to commence a dialog, using the strength of our economies and our influence to bolster Asian economies battered by the economic crisis, and discussing steps we can take to advance peace and security on the Korean Peninsula. I will encourage President Jiang to pursue the cross-strait discussion the PRC recently resumed with Taiwan, and where we have already seen a reduction in tensions.

Second, stopping the spread of nuclear, chemical, and biological weapons is clearly one of our most urgent security challenges. As a nuclear power with increasingly sophisticated industrial and technological capabilities, China can choose either to be a part of the problem or a part of the solution.

For years, China stood outside the international arms control regimes. In the last decade, it has joined the Nuclear Non-Proliferation Treaty, the Chemical Weapons Convention, the Biological Weapons Convention, and the Com-

prehensive Test Ban Treaty, each with clear rules, reporting requirements, and inspection systems. In the past, China has been a major exporter of sophisticated weapons-related technologies. That is why in virtually all our high-level contacts with China's leadership, and in my summit meeting with President Jiang last October, nonproliferation has been high on the agenda.

Had we been trying to isolate China rather than work with it, would China have agreed to stop assistance to Iran for its nuclear program? To terminate its assistance to unsafe-guarded nuclear facilities such as those in Pakistan? To tighten its export control system, to sell no more antiship cruise missiles to Iran? These vital decisions were all in our interests, and they clearly were the fruit of our engagement.

I will continue to press China on proliferation. I will seek stronger controls on the sale of missiles, missile technology, dual-use products, and chemical and biological weapons. I will argue that it is in China's interest, because the spread of weapons and technologies would increasingly destabilize areas near China's own borders.

Third, the United States has a profound stake in combating international organized crime and drug trafficking. International criminal syndicates threaten to undermine confidence in new but fragile market democracies. They bilk people out of billions of dollars and bring violence and despair to our schools and neighborhoods. These are problems from which none of us are isolated and which, as I said at the United Nations a few days ago, no nation is so big it can fight alone.

With a landmass spanning from Russia in the north to Vietnam and Thailand in the south, from India and Pakistan in the west to Korea and Japan in the east, China has become a transshipment point for drugs and the proceeds of illegal activities. Last month a special liaison group that President Jiang and I established brought together leading Chinese and American law enforcement officials to step up our cooperation against organized crime, alien smuggling, and counterfeiting. Next month the Drug Enforcement Agency of the United States will open an office in Beijing. Here, too, pursuing practical cooperation with China is making a difference for America's future.

Fourth, China and the United States share the same global environment, an interest in preserving it for this and future generations. China is experiencing an environmental crisis perhaps greater than any other nation in history at a comparable stage of its development. Every substantial body of water in China is polluted. In many places, water is in short supply. Respiratory illness is the number one health problem for China's people because of air pollution.

Early in the next century, China will surpass the United States as the world's largest emitter of greenhouse gases, which are dangerously warming our planet. This matters profoundly to the American people, because what comes out of a smokestack or goes into a river in China can do grievous harm beyond its borders. It is a fool's errand to believe that we can deal with our present and future global environmental challenges without strong cooperation with China.

A year ago, the Vice President launched a dialog with the Chinese on the environment to help them pursue growth and protect the environment at the same time. I have to tell you that this is one of the central challenges we face, convincing all developing nations, but especially China and other very large ones, that it is actually possible to grow their economies in the 21st century without following the pattern of energy use and environmental damage that characterize economic growth in this century. And we need all the help we can to make that case.

In Beijing, I will explore with President Jiang how American clean energy technology can help to improve air quality and bring electricity to more of China's rural residents. We will discuss innovative tools for financing clean energy development that were established under the Kyoto climate change agreement.

Fifth, America clearly benefits from an increasingly free, fair, and open global trading system. Over the past 6 years, trade has generated more than one-third of the remarkable economic growth we have enjoyed. If we are to continue generating 20 percent of the world's wealth with just 4 percent of its population, we must continue to trade with the other 96 percent of the people with whom we share this small planet.

One in every four people is Chinese. And China boasts a growth rate that has averaged 10 percent for the past 20 years. Over the next

20 years, it is projected that the developing economies will grow at 3 times the rate of the already developed economies. It is manifestly, therefore, in our interest to bring the Chinese people more and more fully into the global trading system to get the benefits and share the responsibilities of emerging economic prosperity.

Already China is one of the fastest growing markets for our goods and services. As we look into the next century, it will clearly support hundreds of thousands of jobs all across our country. But access to China's markets also remains restricted for many of our companies and products. What is the best way to level the playing field? We could erect trade barriers. We could deny China the normal trading status we give to so many other countries with whom we have significant disagreements. But that would only penalize our consumers, invite retaliation from China on \$13 billion in United States exports, and create a self-defeating cycle of protectionism that the world has seen before.

Or, we can continue to press China to open its markets, its goods markets, its services markets, its agricultural markets, as it engages in sweeping economic reform. We can work toward China's admission to the WTO on commercially meaningful terms, where it will be subject to international rules of free and fair trade. And we can renew normal trade treatment for China, as every President has done since 1980, strengthening instead of undermining our economic relationship.

In each of these crucial areas, working with China is the best way to advance our interests. But we also know that how China evolves inside its borders will influence how it acts beyond them. We, therefore, have a profound interest in encouraging China to embrace the ideals upon which our Nation was founded and which have now been universally embraced: the right to life, liberty, and the pursuit of happiness; to debate, dissent, associate, and worship without state interference. These ideas are now the birthright of people everywhere, a part of the Universal Declaration of Human Rights. They are part of the fabric of all truly free societies.

We have a fundamental difference with China's leadership over this. The question we Americans must answer is not whether we support human rights in China—surely, all of us do—but rather, what is the best way to advance them? By integrating China into the community of nations and the global economy, helping its

leadership understand that greater freedom profoundly serves China's interests, and standing up for our principles, we can most effectively serve the cause of democracy and human rights within China.

Over time, the more we bring China into the world, the more the world will bring freedom to China. China's remarkable economic growth is making China more and more dependent on other nations for investment, for markets, for energy, for ideas. These ties increase the need for the stronger rule of law, openness, and accountability. And they carry with them powerful agents of change: fax machines and photocopiers, computers and the Internet. Over the past decade, the number of mobile phones has jumped from 50,000 to more than 13 million in China, and China is heading from about 400,000 Internet accounts last year to more than 20 million early in the next century. Already, one in five residents in Beijing has access to satellite transmissions. Some of the American satellites China sends into space beam CNN and other independent sources of news and ideas into China.

The licensing of American commercial satellite launches on Chinese rockets was approved by President Reagan, begun by President Bush, continued under my administration, for the simple reason that the demand for American satellites far out-strips America's launch capacity, and because others, including Russian and European nations, can do this job at much less cost.

It is important for every American to understand that there are strict safeguards, including a Department of Defense plan for each launch, to prevent any assistance to China's missile programs. Licensing these launches allows us to meet the demand for American satellites and helps people on every continent share ideas, information, and images through television, cell phones, and pagers. In the case of China, the policy also furthers our efforts to stop the spread of missile technology by providing China incentives to observe nonproliferation agreements. This policy clearly has served our national interests.

Over time, I believe China's leaders must accept freedom's progress because China can only reach its full potential if its people are free to reach theirs.

In the information age, the wealth of any nation, including China's, lies in its people, in their capacity to create, to communicate, to in-

novate. The Chinese people must have the freedom to speak, to publish, to associate, to worship without fear of reprisal. Only then will China reach its full potential for growth and greatness.

I have told President Jiang that when it comes to human rights and religious freedom, China remains on the wrong side of history. Unlike some, I do not believe increased commercial dealings alone will inevitably lead to greater openness and freedom. We must work to speed history's course. Complacency or silence would run counter to everything we stand for as Americans. It would deny those fighting for human rights and religious freedom inside China the outside support that is a source of strength and comfort. Indeed, one of the most important benefits of our engagement with China is that it gives us an effective means to urge China's leaders publicly and privately to change course.

Our message remains strong and constant: Do not arrest people for their political beliefs; release those who are in jail for that reason; renounce coercive population control practices; resume your dialog with the Dalai Lama; allow people to worship when, where, and how they choose; and recognize that our relationship simply cannot reach its full potential so long as Chinese people are denied fundamental human rights.

In support of that message, we are strengthening Radio Free Asia. We are working with China to expand the rule of law and civil society programs in China so that rights already on the books there can become rights in reality. This principled, pragmatic approach has produced significant results, although still far from enough. Over the past year, China has released from jail two prominent dissidents, Wei Jingsheng and Wang Dan, and Catholic Bishop Zeng. It announced its intention to sign the International Covenant on Civil and Political Rights, which will subject China's human rights practices to regular scrutiny by independent international observers. President Jiang received a delegation of prominent American religious leaders and invited them to visit Tibet.

Seeking to isolate China will not free one more political dissident, will not open one more church to those who wish to worship, will do nothing to encourage China to live by the laws it has written. Instead, it will limit our ability to advance human rights and religious and political freedom.

When I travel to China, I will take part in an official greeting ceremony in front of the Great Hall of the People, across from Tiananmen Square. I will do so because that is where the Chinese Government receives visiting heads of state and government, including President Chirac of France and, most recently, Prime Minister Netanyahu of Israel. Some have suggested I should refuse to take part in this traditional ceremony, that somehow going there would absolve the Chinese Government of its responsibility for the terrible killings at Tiananmen Square 9 years ago, or indicate that America is no longer concerned about such conduct. They are wrong.

Protocol and honoring a nation's traditional practices should not be confused with principle. China's leaders, as I have repeatedly said, can only move beyond the events of June, 1989, when they recognize the reality that what the Government did was wrong. Sooner or later they must do that. And perhaps even more important, they must change course on this fundamentally important issue.

In my meetings with President Jiang and other Chinese leaders and in my discussions with the Chinese people, I will press ahead on human rights and religious freedom, urging that China follow through on its intention to sign the Covenant on Civil and Political Rights, that it release more individuals in prison for expressing their opinions, that it take concrete steps to preserve Tibet's cultural, linguistic, and religious heritage.

We do not ignore the value of symbols. But in the end, if the choice is between making a symbolic point and making a real difference, I choose to make the difference. And when it comes to advancing human rights and religious freedom, dealing directly and speaking honestly to the Chinese is clearly the best way to make a difference.

China has known more millennia than the United States has known centuries. But for more than 220 years, we have been conducting a great experiment in democracy. We must never lose confidence in the power of American experience or the strength of our example. The more we share our ideas with the world, the more the world will come to share the ideals that animate America. And they will become the aspirations of people everywhere.

I should also say we should never lose sight of the fact that we have never succeeded in perfectly realizing our ideals here at home. That calls for a little bit of humility and continued efforts on our part on the homefront.

China will choose its own destiny, but we can influence that choice by making the right choice ourselves, working with China where we can, dealing directly with our differences where we must. Bringing China into the community of nations rather than trying to shut it out is plainly the best way to advance both our interests and our values. It is the best way to encourage China to follow the path of stability, openness, nonaggression; to embrace free markets, political pluralism, the rule of law; to join us in building a stable international order where free people can make the most of their lives and give vent to their children's dreams.

That kind of China, rather than one turned inward and confrontational, is profoundly in our interests. That kind of China can help to shape a 21st century that is the most peaceful and prosperous era the world has ever known.

Thank you very much.

NOTE: The President spoke at 10:32 a.m. in the Gilbert H. Grosvenor Auditorium. In his remarks, he referred to John M. Fahey, Jr., president, and Gilbert M. Grosvenor, chairman of the board, National Geographic Society; President Jiang Zemin of China; and Chinese Roman Catholic Bishop Zeng Jingmu.